HUD newsletter

U.S. Department of Housing and Urban Development
Washington, D.C. 20410 (202) 235-1307

February 16, 1976 Vol. 7 No. 7

Current Trends

The *Dodge Division of McGraw-Hill* reports that construction contracts in December showed a drop of 23 percent from the same month a year earlier. The primary cause of the reduced volume... according to the *Dodge* chief economist... was a sharp decrease in new utility construction. In 1974... as a result of the energy crisis... a large number of new electric utility plants were scheduled and placed under contract. There was no such utility construction activity in 1975. Residential construction rose 34 percent from its 1974 volume during the month... although the total of residential contracts for the year was 8 percent smaller in 1975 than in 1974.

Net new savings receipts of federally-insured savings and loans dropped off considerably in December... according to the ***FHLBB***. The month's decline seems to have been a temporary phenomenon... as a sample of associations shows that the S&Ls experienced a very sharp rise in early January... indicating a new record for the month. Despite the December drop-off... the year as a whole resulted in a 23 percent increase in savings ... bringing the total to $29.3 billion... the highest in history. The prior record was $23.9 billion in 1972.

Mortgage loans closed by federally-insured S&Ls in December totaled $5.1 billion ... up $800 million from November... and more than twice the December 1974 volume.

☆

1975 Flood Payments Reach New High

Secretary Carla Hills reports that *HUD* paid flood insurance claims in 1975 in excess of $72 million... three times the amount paid in 1974. The biggest single cause of loss in 1975 was Hurricane Eloise... which ravaged the East Coast in September.

Illustrating the impressive growth of the *National Flood Insurance Program* ... Secretary Hills said flood insurance sales went up 40 percent in 1975 over the previous year. The total amount of coverage in force increased by nearly 45 percent... going from $12.5 billion in 1974 to more than $18 billion in 1975. Yearend figures for the Program show that the number of communities participating in the *Flood Insurance Program* more than doubled... from 5,488 in 1974 to 13,256 last year.

The 1975 Hurricane Eloise gave ***HUD's Federal Insurance Administration*** and the ***National Flood Insurers Association*** an opportunity to compare Eloise with Tropical Storm Agnes... which hit the same part of the country in 1972. In Pennsylvania... for example ... one of the Nation's most flood-prone States... the *Flood Insurance Program* had its most astonishing growth. From 683 policies in that Commonwealth in 1972... coverage had risen to 40,180 policies when Eloise struck in 1975. As a result... about one-third of the families and businesses sustaining damage from Eloise were indemnified under the *Program* ... compared to less than 1 percent following Agnes.

The *Program*... which is subsidized by the Federal Government... offers low-cost protection to property owners under policies issued by ***NFIA***. The insurance is available from any licensed insurance agency in participating communities.

State Income Taxes Rose in 1975

State income taxes on individuals... the second largest source of State tax revenue... totaled $18.8 billion in fiscal 1975... up 10.2 percent over 1974, according to a *Census Bureau* report. This tax is levied in 44 States. Corporate net income taxes also increased to a total of $6.6 billion in 1975... up 10.4 percent from the previous year.

Total State tax collections in all 50 States totaled $80.1 billion... an increase of 8 percent over the $74.2 billion collected in fiscal 1974. Sales and gross receipts taxes continue to be the major tax revenue source for States... amounting to $43.3 billion in 1975... or 54.1 percent of all State tax revenue. These were divided as follows: general sales and gross receipts taxes, $24.8 billion and selective sales and gross receipts taxes, $18.6 billion.

State motor fuel tax revenue increased by only 0.6 percent in fiscal 1975 compared to a 1.8 percent increase in fiscal 1973-74 and an 11.7 percent in fiscal 1972-73. The smaller increase in the last 2 years reflects the impact of consumer conservation programs.

Summary figures for selected major categories of State taxes are:

	Fiscal 1975 collections *(in millions)*	Percent increase or decrease (-) 1974 to 1975	No. of States Using Tax, Fiscal 1975
General sales and gross receipts	$24,780	9.6	45
Selective sales and gross receipts:			
Motor fuels	8,256	0.6	50
Tobacco products	3,286	1.1	50
Alcoholic beverages	1,958	2.5	50
Insurance	1,751	5.0	50
Public utilities	1,739	20.3	39
Individual income	$18,819	10.2	44
Corporation net income	6,642	10.4	46
Severance	1,741	38.7	30
Property	1,451	11.5	45
Death and gift	1,418	- 0.5	49

More than one-half of all State tax revenue was collected in eight States. The leaders and totals collected were (in billions): **California**, $9.6 **New York**, $8.9 **Pennsylvania**, $4.7 **Illinois**, $4.4 **Texas**, $3.6 **Michigan**, $3.5 **Ohio**, $3.0 and **Florida**, $2.8.

In 11 States, tax revenue increases of 15 percent or more over 1974 occurred, and 12 States showed increases of less than 5 percent. Two States experienced decreased net tax collections in 1975 compared to 1974... **Connecticut's** by 3.1 percent... following a 4.4 percent decline from 1973-74; a reduced general sales tax rate and changes in the individual income tax were the major factors. **Michigan's** decrease of 5.3 percent in total net tax collections was the result of a 12.4 percent drop in individual income taxes.

The report, *State Tax Collections in 1975, GF75, No. 1,* **may be obtained for $1.05 from the *Subscriber Services Section (Publications), Census Bureau,* Washington, D.C. 20233.**

☆

1977 Rural Housing Budget

In addition to the various housing programs covered in the proposed *HUD* budget for FY 1977 sent to *Congress* on January 21... President Ford has also submitted a 1977 *Rural Housing Program Budget.* The *Rural Program* is administered by the ***Farmers Home Administration***... part of the ***Department of Agriculture.***

The total for all ***FmHA*** functions for fiscal 1977 is $2.716 billion... compared to $2.706 billion for fiscal 1976. This includes both subsidized and unsubsidized housing assistance programs; loans for repair of housing; and rental housing for farm laborers.

FYI

The Interreligious Coalition for Housing and the *Institute for Professional and Executive Development*. . . *Practitioners' Workshop on Elderly Housing*. . . Washington, D.C. February 27. **Registration: *The Institute for Professional and Executive Development*, 1025 Connecticut Avenue, N.W., Washington, D.C. 20036 (202/785-5275).**

Producers' Council. . . Construction Marketing Seminar. . . Washington, D.C., March 17-19. **Details: CMC Registrar, *Producers' Council, Inc.*, 1717 Massachusetts Ave., N.W., Washington, D.C. 20036.**

National Center for Resource Recovery, Inc.. . . Conference: *Resource Recovery '76*. . . Washington, D.C., March 23. **Details: Director of Information Programs, *NCRR*, 1211 Connecticut Ave., N.W., Washington, D.C. 20036.**

American Society of Planning Officials and American Institute of Planners. . . Annual Convention. . . Washington, D.C., March 20-25. **Details: *ASPO*, 1313 E/ 60th St., Chicago, Illinois 60637 (312/947-2560).**

Joint sponsorship of the ***National Trust for Historic Architecture, National Clearinghouse for Criminal Justice Planning and Architecture, University of Illinois Department of Architecture, National Association of Counties,*** and the ***National Endowment for the Arts***. . . National Conference: *The Conservation of the Older Courthouse: Some Practical Solutions*. . . St. Louis, March 31-April 2. **Contact: Cheryl I. Krieger, Program Assistant, *National Trust for Historic Preservation*, 507 South Dearborn Street, Suite 710, Chicago, Illinois 60605, or Elmer Edwards, conference coordinator, *University of Illinois*, 116 Illini Hall, Champaign, Illinois 61802.**

National Bureau of Standards. . . Symposium on building construction, for public and private building owners. . . Gaithersburg, Maryland, March 24-25. **Details: Harry Thompson or James Haecker, Center for Building Technology, *NBS*, Washington, D.C. 20234.**

Council of University Institutes for Urban Affairs. . . Annual Convention. . . Atlanta, March 3-7. **Details: *CUIUA*, Division of Urban Affairs, Raub Hall, University of Delaware, Newark, Delaware 19711 (302/738-2394)**

Institute of International Education in cooperation with the ***University of Manchester*** (England) is offering for the fifth year. . . a course in *New Towns and Community Planning in Britain.* The 4-week program opens on July 1 and will provide an opportunity for firsthand study of the evolution of new towns and preservation of existing facilities. **Details: *Division of Study Abroad Programs, Institute of International Education*, 809 United Nations Plaza, New York, New York 10017. (212/883-8269)**

☆

Staff Papers Available

Several Staff Papers. . . prepared by the *HUD Office of Program Analysis and Evaluation, Assistant Secretary for Policy Development and Research*, have been issued. They are now available in paper and Microfiche from the ***National Technical Information Service (NTIS)*. . . 5258 Port Royal Road, Springfield, Virginia 22151.** The first price shown for each is for paper. . . the second for Microfiche.

Causes of Multifamily Defaults (PB244662/AS). . . $5.25. . . $2.25.

Multifamily Property Disposition (PB247631/AS). . . $4.50. . . $2.25.

Disposition of Foreclosed Houses (PB247634/AS). . . $4.50. . . $2.25.

Allocation Issues in Section 701 Planning Grants (PB247629/AS). . . $4.00. . . $2.25.

HUD/FHA Condominiums: Their Future (PB247630/AS). . . $4.00. . . $2.25.

Coordination of Federal Planning Programs (PB247633/AS). . . $4.00. . . $2.25.

Counseling for Delinquent Mortgagors (PB244811/AS). . . $4.50. . . $2.25.

Neighborhood Preservation Report Issued

***HUD* has issued a 286-page catalog. . . offering profiles in 100 locally developed preservation projects that have been particularly effective in preserving and stabilizing neighborhoods in 66 cities across the country.** Local decision makers seeking ways to stabilize declining neighborhoods in their own communities will find this catalog. . . and a series of workshops now being held. . . of value in guiding their actions.

In preparing the catalog and its accompanying *Executive Summary* for ***HUD, Real Estate Research Corporation (RERC)*** of Chicago contacted 650 cities, identified 350 local neighborhood preservation programs, and visited 66 cities. The final result provides full descriptions of 69 locally-initiated neighborhood preservation programs. . . shorter descriptions of 21 programs treated as variations of full programs. . . and summaries of 10 tactics that focus on a single preservation activity.

Single free copies of the *Executive Summary for Neighborhood Preservation: A Catalog of Local Programs*. . . which contains a ***GPO*** order blank for the full report. . . can be obtained from the ***HUD, Office of Policy Development and Research*, Room 8126, Washington, D.C. 20410.** The full catalog can be obtained at $5.15 from: ***Superintendent of Documents***, Washington, D.C. 20402. (GPO Stock No. 023-000-00285-0).

☆

Report Available

Proceedings of the ***National Conference of States on Building Codes and Standards*** at the organization's 7th annual conference, held in 1974, are now available. Presentations include the national fire data system of the ***National Bureau of Standards' Center for Fire Research***, an energy report, and a report from the ***Consumer Product Safety Commission.*** **Copies of publication 429 are $1.95 (prepaid) from the *Superintendent of Documents*, Washington, D.C. 20402.**

HUD newsletter

U.S. Department of Housing and Urban Development
Washington, D.C. 20410

HUD-318-215-ASI
February 16, 1976

Published weekly by the Publications and Information Division, Office of the Assistant Secretary for Administration, U.S. Department of Housing and Urban Development. . . Carla Anderson Hills, Secretary. . . James C. Biller, Editor. Subscription rate $12.50 per year, domestic. . . $15.65 foreign. Address all communications regarding subscriptions, change of address, etc. to the Superintendent of Documents, Washington, D.C. 20402. Use of funds for printing this publication approved by the Office of Management and Budget, January 9, 1973.

UNITED STATES
GOVERNMENT PRINTING OFFICE
PUBLIC DOCUMENTS DEPARTMENT
WASHINGTON, D.C. 20402

Official Business
Penalty for Private Use, $300

POSTAGE AND FEES PAID
DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT
HUD-401

U.S.MAIL

HUDN SERIA300S R 1
SERIALS DEPT
XEROX/UNIV MICROFILMS
300 N ZEEB RD
ANN ARBOR MI 48106

AMERICAN REVOLUTION BICENTENNIAL 1776-1976